

MEETING OF
THE DELAWARE AGRICULTURAL LANDS PRESERVATION FOUNDATION

A meeting of the Delaware Agricultural Lands Preservation Foundation was held at the Delaware Department of Agriculture, 2320 S. DuPont Hwy., Dover, Delaware, May 21, 2014, with the following members in attendance:

Robert F. Garey, Chairman	Lisa Embert representing Chip Flowers, Jr., State Treasurer
William Vanderwende, Vice Chairman	Kevin Coyle representing Collin O'Mara, Secretary of DNREC
William H. "Chip" Narvel, Jr., Secretary	Peter Martin
L. Allen Messick, Jr., Treasurer	Robert Emerson

Absent: Secretary Ed Kee, and Theodore P. Bobola, Jr.

The following staff members were in attendance: Austin Short, Chief of Planning and Deputy Secretary of Agriculture, Howard Mesick, Milton Melendez, Scott Blaier, Kathi Spangler, and Cathy Mesick.

Others in attendance: F. Michael Parkowski, Ms. Ida Parrett, representing Del DOT, and Messrs. Joe Wright and Tom Feret and Ms. J. Gibbons representing Sussex County Engineering.

Chairman Garey opened the meeting at 8:30 a.m.

I. Current Situation Report:

Scott Blaier informed the Board that we have a total of 1,226 farms in preservation districts totaling 168,342 acres, with a total of 796 farms under agricultural easements totaling 115,166 acres at a cost of \$206,993,765. For the Forestland Preservation Program there are 34 Forestland Preservation Areas comprising 2,582 acres. For the Forestland Preservation Area Easements, there are a total of 9 properties, comprising 872 acres, with a value of \$1,450,804. There are 300 properties eligible for PDR Round 19, totaling 32,641 acres, with an estimated value of \$134,740,000.

Austin Short informed the Board that two easements were removed from the Round 17 total as they will not settle due to mortgage issues. There are now six easements remaining to settle for Round 17, and four of them are delayed due to the lack of Federal operating funds. Some surveys for Round 18 easements are now completed and the lack of Federal operating funds will soon delay these settlements.

Chairman Garey asked if there were currently any costs due to the Forestland Preservation program. Austin Short stated that there is a small cost associated with monitoring these properties. Michael Parkowski informed the Board that Delaware's Wetlands Advisory Committee voted to recommend \$200,000 per year funding for the Forestland Preservation program.

II. Young Farmers Report

Mr. Short informed the Board that two out of the four Round 4 properties should settle prior to the June Foundation meeting. Staff continues to receive some prequalification application forms as well as requests for the information packets.

III. Monitoring Report:

Milton Melendez informed the Board that there would be no monitoring report for today's meeting as he is still processing the information on the Federal parcels that have been visited.

IV. District Eligibility:

1. Burton District, ID#S-14-04-276. Mr. Robert Emerson questioned the accessibility of the property and the fact that it was all forestland (and should be in our Forestland program instead of the Farmland Preservation program.) Mr. Austin Short and Mr. Michael Parkowski explained why the property was accessible and how forestland is considered agriculture. After further discussion, **William Vanderwende moved to accept for eligibility the Burton District, seconded by Kevin Coyle. Motion approved. Mr. Robert Emerson voted nay.**

V. Expansion Eligibility and Final Approval (Contingent Sale):

1. Scott/Vanderwende Expansion of the Ledenham-Vanderwende District, ID#S-14-04-150P. After discussion, **Allen Messick moved to accept for eligibility/final approval, contingent upon sale, the Scott/Vanderwende Expansion of the Ledenham-Vanderwende District, seconded by Kevin Coyle. Motion unanimously approved. Mr. William Vanderwende abstained from voting due to conflict of interest.**

VI. Expansion Eligibility and Final Approval:

1. Whitton Expansion of the Willow Grove District, ID#K-13-12-025I. After discussion, **Chip Narvel moved to accept for eligibility/final approval the Whitton Expansion of the Willow Grove District, seconded by Kevin Coyle. Motion unanimously approved.**
2. Belfair Expansion of the Woikoski Farms District, ID#K-13-12-092J. After discussion, **Robert Garey moved to accept for eligibility/final approval the Belfair Expansion of the Woikoski Farms District, seconded by Chip Narvel. Motion unanimously approved.**
3. Sapp Farm Expansion of the Whitby Farms L.P. District, ID#K-13-12-067T. After discussion, **Kevin Coyle moved to accept for eligibility/final approval the Sapp Farm Expansion of the Whitby Farms L.P. District, seconded by Lisa Embert. Motion unanimously approved.**
4. Fair Hope 1 Expansion of the Hayden-Gallo District, ID#K-S-14-01-062K. After discussion, **Chip Narvel moved to accept for eligibility/final approval the Fair Hope 1 Expansion of the Hayden-Gallo District, seconded by Lisa Embert. Motion unanimously approved.**
5. Fair Hope II Expansion of the Isaacs Farms Emerson District, ID#K-S-14-01-109H. After discussion, **William Vanderwende moved to accept for eligibility/final approval the Fair Hope II Expansion of the Isaacs Farms Emerson District, seconded by Chip Narvel. Motion unanimously approved.**

VII. Secretary of Agriculture's Veto:

Deputy Secretary of Agriculture Austin Short waived the right of veto for the above District and Expansions, representing Secretary of Agriculture, Ed Kee in an e-mail dated May 21, 2014.

VIII. Public Comments:

No public comments were received.

IX. Minutes:

Chairman Garey asked if there were any comments or changes to the April 16, 2014 minutes. Hearing no changes, the Chairman asked for a motion to approve the minutes. **Chip Narvel moved to approve the April minutes, seconded by Kevin Coyle. Motion unanimously approved.**

X. Financial Highlights:

Howard Mesick presented the Financial Statement for the month of April 30, 2014, informing the Foundation Board that we had, as of March 31, 2014, \$58,867.09 in the Foundation's interest bearing State of Delaware account. Interest income was \$16.73, and license plates income was \$630.00. Expenditures for the month of April totaled \$31,030.50. After discussion, **Chip Narvel moved to accept the April financial statement as presented, seconded by Kevin Coyle. Motion unanimously approved.**

XI. Executive Session:

It was indicated by Mr. Michael Parkowski that there was no need for an Executive Session.

XII. Other Business:

1. Ledenham Vanderwende District, ID#S-97-01-150
Del DOT Right-of-Way Easement Request.

Milton Melendez presented the Del DOT easement request. Ms. Ida Parrett, representing Del DOT, informed the Board that there would be no soil impactment on the adjoining field. Del DOT equipment would be parked on the road and the pipe replacement would impact only the tax ditch and the wooded area. Mr. Melendez stated that Mr. Parkowski had reviewed the documents and they were O.K. After further discussion, **Kevin Coyle moved to allow the Del DOT easement request as presented, seconded by Lisa Embert. Motion unanimously approved. Mr. William Vanderwende abstained from voting due to conflict of interest.** Chairman Garey signed the contract presented by Ms. Parrett.

2. Wilson Farm
Sussex County request to acquire a temporary construction easement on the Wilson Farm in Lewes for a sewer system upgrade.

Mr. Scott Blaier presented the Sussex County request for a temporary construction easement. Mr. Tom Feret representing the Sussex County Engineering Department further explained the request to the Board. There will be no problem with impaction of the soil as the soil was so hard that the tenants (the Magee family) did no-till. Mr. Parkowski told the Board that they could sign the easement agreement and that his office would formally inform the Magee family concerning this. Mr. Blaier stated that the Magee family has no problem with the easement. After further discussion, **Chip Narvel moved to allow the temporary construction easement, seconded by William Vanderwende. Motion unanimously approved.** The Chairman signed the easement agreement presented by Mr. Feret.

Mr. Austin Short informed the Board that the new Farm Bill discontinued the FRPP (Farm and Ranch Protection Program) and established the ACEP (Agricultural Conservation Easement Program) as the program to provide Federal funds for agricultural conservation easements. ACEP will have a new cooperative agreement and easement deed that replaces the ones used with FRPP. USDA NRCS just released these documents and will not entertain any modifications for Federal fiscal year '14 (FY'14); the deadline for application is June 6. USDA NRCS will negotiate modifications for FY'15. Aglands staff and the Foundation attorney cannot recommend using the ACEP cooperative agreement and easement deed in their current form as they are too restrictive. Therefore, we will not participate in ACDP for Federal FY'14. Discussion followed concerning negotiations necessary to come to terms with the new rules. For example, the new rules require NRCS approval for changes in farming practices (need a farm plan), and for subdivisions of parcels. Mike Parkowski and his staff are reviewing the Farm Bill to determine which of the new requirements are actually specified in the Farm Bill and which are proposed by USDA NRCS. Staff suspects that many organizations (States, Counties, etc.) that utilize these funds for easements will have similar concerns. Austin Short informed the Board that if negotiations are successful and we reach acceptable terms under the new ACEP in a timely fashion, then FY'15 ACEP funds could be used for PDR 19.

XIII. Adjournment

As there was no further business to come before the Foundation the meeting adjourned at 9:35 a.m. The next meeting of the Foundation will be held on June 18, 2014 at the Delaware Department of Agriculture beginning at 8:30 a.m.

Respectfully submitted,

Robert F. Garey
Chairman